income referred to in Chapter III of the Income-tax Act, which now includes income by way of dividends.

(b) There is no need for any amendment in view of the position of law as stated at (a) above.

Mandrax Trade in India

713. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that Mandrax Trade in India is estimated to be more than Rs. 1,500 crore a year and according to INCB Report, Mandrax constitutes a major problem amongst youth of the country; and

(b) if so, the concerted action Government have taken so far against illicit traffickers of drugs and narcotics when our country this year observed on 26th June, 1997, International Day against drug abuse and illicit trafficking?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) No precise valuation of narcotic drugs which are often of indeterminate strength and composition and are liable for destruction can be made. Hence the valuation of Mandrax trade in India cannot be estimated, There are no reports/information to indicate Mandrax addiction as a major problem amongst youth in the country.

(b) Action taken by the Government of India to curb trafficking are given as under:-

(i) Instructions have been issued to all the enforcement agencies to maintain the utmost vigil and step up enforcement efforts under the stringent provisions contained in NDPS Act.

(ii) 2/3rd of Indo-Pak border has been fenced and provided with flood lighting.

(iii) BSF and Coast Guards, who are deployed on land and coastal borders, have been vested with powers under the Customs Act to interdict narcotic drugs on the border in addition to the several Central and State Government enforcement agencies empowered under the NDPS Act.

(iv) Training is being imparted to officers to improve their effectiveness. Vehicles and communication equipment have been provided.

(v) Reward scheme for informers and enforcement officers is being implemented zealously.

(vi) Quarterly coordination meetings chaired by DG, NCB are held regularly in New Delhi which are attended by all Enforcement agencies involved in fighting against drug trafficking, at the highest level.

(vii) A bilateral agreement has been arrived at with authorities in Pakistan whereby periodic meetings take place at Secretary level and DG level. Representatives of Indian & Pakistani anti-narcotics agencies have been included in the border meetings of BSF and Pak Rangers. Contact points have been designated by the two countries for direct operational communication.

(viii) A comprehensive bilateral agreement has been entered into by the Govt, of India and the Government of Union of Myanmar for reducing demand and preventing illicit trafficking in narcotic drugs.

(ix) The Govt, of India has provided two drug sniffer dogs and also trained dog-handlers to Myanmar for detection of drugs.

(x) Acetic Anhydride and N-Anthrinilic acid, the precursor chemicals have been declared as controlled substances. All the persons arrested for drug trafficking are liable for stringent punishment under NDPS Act.

कृषि-श्रमिकों, किसानों को "टैक्स नेट" के अधीन लाने का प्रस्ताव

714. **श्री रामगोपाल यादव :** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि **:**

(क)क्या सरकार असंगठित कृषि श्रमिकों, बड़े किसानों को "टैक्स नेट" के अधीन लाने पर विचार कर रही हैं, और

(क) यदि हां, तो तत्संबंधी ब्यौरा क्या हैं और सरकार इस संबंध में कब तक कोई कानून बनायेगी और उसे कार्यान्वित करेगी ?

वित्त मंत्रालय में राज्य मंत्री (श्री सतपाल महाराज) : (क) और (ख) जी, नहीं। कृषि श्रमिकों के पास सामान्यतया कराधेय आय नहीं होती हैं । इसके अलावा, भारतीय के संविधान की सातवीं अनुसूची की "संघ सूची" (अर्थात् सूची-I) की प्रविष्टि 82 में निहित प्रतिषेध के कारण संघ सरकार द्वारा कृषि आय पर कर नहीं लगाया जा सकता हैं ।

CRB Scam

715. SHRI SOM PAL.
SHRI ASHOK MITRA:

Will the Minister of FINANCE be pleased to state:

(a) the details and progress of investigations made into the CRB scam;

(b) whether Government have tried to find out the roles of various institutions like the RBI, Securities and Exchange Board . India and the State Bank of India, etc. in the matter;

(c) if so, the detailed findings thereof;

(d) what action has been taken or is proposed to be taken against the persons and institutions involved in this scam; and

(e) what steps are being initiated to check recurrence of such irregularities in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ); (a) to (d) The main activities of CRB^ Capital Markets Ltd. were hire purchase, leasing finance and merchant banking. A complaint was received in December, 1996 by RBI from Tourism Finance Corporation of India Ltd. regarding default of repayment of deposits by CRB Capital Markets Ltd. Global Trust Bank Ltd. has also reported to RBI in March, 1997 about devolvement of Letter of Credit opened by a group Company. Further, the company fraudulently overdrew its accounts with the State Bank of India, Mumbai Main Branch (MMB) for payment of interest warrants, deposit refunds and brokerage warrants by an amount of over Rs. 58 crores.

Keeping in view the findings of the inspection carried out between November, 1996 to January, 1997 and the subsequent developments, especially relating to the SBI, the RBI issued prohibitory orders in April, 1997 under section 45MB(1) & (2) of RBI Act directing the company not to accept any further deposits and not to alienate any assets without prior permission of RBI. The RBI filed a winding up petition in the Delhi High Court under section 45 MC of the RBI Act on 21.5.1997. A provisional Liquidator has been appointed by the Delhi High Court.

Government has asked the regulators, i.e. RBI and SEBI to undertake a thorough internal review of the regulatory actions in regard to these companies to see if there have been any lapses in application of regulations to CRB group of companies or in responding to warning signals, so that these deficiencies can be corrected, Government has also advised the State Bank of India ot ascertain whether there was any internal failure to act on early warning signals emanating from the defaults in the payment arrangements with CRB Capital Markets Ltd. At the operative level an inter-departmental group comprising representatives of CBI, RBI, SBI and State Government has been constituted to ensure concerted action. RBI has also issued detailed instructions to bank? prescribing the procedural safeguards to be taken into account while providing "at par" payment facilities to companies. Based on the findings of an enquiry into the development relating to CRBCML, SBI has initialed action against some officials.

(e) Keeping in view the twin needs of providing adequate protection to the depositors and maintaining the stability of the financial system, the Parliament has recently enacted amendments to the Reserve Bank of India Act, for regulating Non-Banking Finance Companies (NBFCs) which inter-alia, include mandatory requirements for registration, minimum net owned funds, maintenance of liquid assets, compulsory transfer of certain proportion of profits to reserves and empowering the Company Law Board to look into the cases of non repayment of deposits. These measures would facilitate continued liquidity -and solvency of NBFCs and are expected to go a